



**Council
Communication**
Office of the City Manager

Date

March 20, 2006

Agenda Item No. 17

Roll Call No. 06-

Communication No. 06-139

Submitted by: Larry Hulse, Community
Development Director

AGENDA HEADING:

Approval of two late-filed tax abatement applications for 2005 for properties located at 5105 S.E. 27th Street and 2411 Hart Avenue.

SYNOPSIS:

Recommend approval of two additional tax abatement applications for 2005. The applicants and the builders of both of these properties misunderstood who would file the applications for abatement with the City. Because of this misunderstanding, the applications were not filed by the deadline of February 1, 2006, at 5:00 PM. The Polk County Assessor's Office has indicated they will process the applications as if they were filed by the deadline indicated above.

FISCAL IMPACT:

Amount: \$464,900.00 in forthcoming taxable value.

Funding Source: Taxes are generated in the first year from the land value, but the improvement value will be forthcoming when the \$464,900.00 comes on the tax rolls after abatement ends.

ADDITIONAL INFORMATION:

The applicants chose **Schedule 4B** with a total estimated value of \$464,900.00. **Schedule 4B** is for qualified real estate in all areas of the City not included in other tax abatement schedules. The abatement lasts for five years. Qualified real estate assessed as residential, or assessed as commercial and consisting of three or more living quarters with at least 75% of the space used residentially, is eligible to receive an exemption from taxation on the actual value added by improvements. The exemption amount is 100% of the actual value added by the improvements.

Cumulative Totals for 2005

<u>Schedule</u>	<u>Count</u>	<u>Value</u>
1	377	\$6,255,451.00
2	29	\$25,394,060.00

3	14	\$11,736,718.00
4a	124	\$37,034,450.81
4b	601	\$112,610,105.80
Total	1145	\$193,000,785.61

PREVIOUS COUNCIL ACTION(S):

Date: March 6, 2006

Roll Call Number: 06-432

Action: Approving one tax abatement application for improvements made to property during 2005. ([Council Communication No. 06-117](#)) Moved by Brooks to adopt. Motion Carried 6-0. Absent: Hensley.

Date: February 20, 2006

Roll Call Number: 06-388

Action: Approving 435 tax abatement applications for improvements made to property during 2005. ([Council Communication No. 06-088](#)) Moved by Hensley to adopt. Motion Carried 6-1. Pass: Kiernan.

Date: February 20, 2006

Roll Call Number: 06-339

Action: Conditionally approving tax abatement application for 2120 E Army Post Rd. for improvements completed in 2005. ([Council Communication No. 06-083](#)) Moved by Hensley to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

Date:

Roll Call Number:

Action:

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

The tax abatement program on new improvements currently ends on December 31, 2008, unless the City Council extends the program beyond that date. Any application received by February 1, 2009, and approved by the City Council, will receive abatement for the number of years eligible and for which an application was submitted. It is anticipated that there will be numerous submittals of tax abatement applications on a yearly basis until the program ends.